



Innovative Models for Affordable Housing

Preeti Sinha

Senior President and
Global Convenor

YES Institute

YES BANK



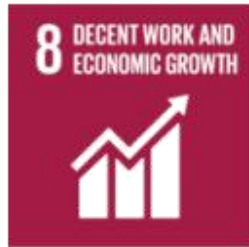


The Universal Declaration of Human Rights states that:

“Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control”.



Sustainable Development Goal



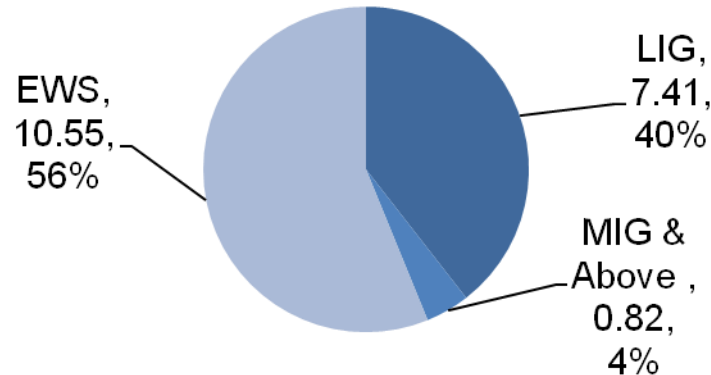
Affordable Shelter touches upon many of the Sustainable Development Goals (SDG)

Essential for Inclusive Development

Affordable Housing in India

Shortage of 18.78 million dwelling units of which over **96%** pertain to the Economically Weaker Sections (**EWS**) and Low Income Group (**LIG**) categories

Housing Shortage (Mn)



INR8.5 Lakh crore is required for construction of affordable housing in slum and non-slum areas.



Impact of the Real Estate Sector

Direct impact

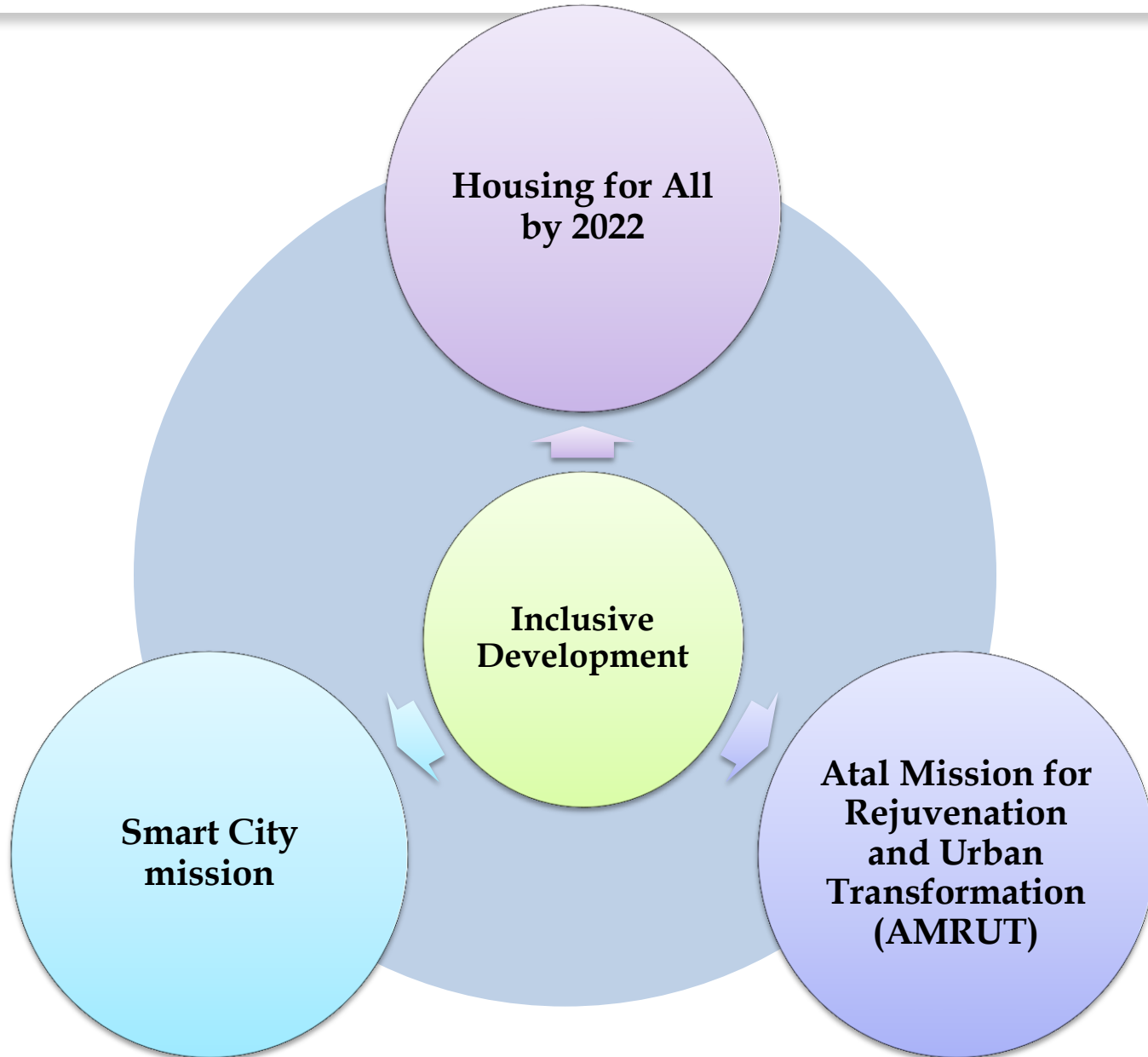
- Accounts for 9% of the GDP
- Infrastructure creation
- Employment opportunity

Indirect Impact

- Jobs ad business from suppliers to construction business
- Linkages with 250 industries
- Ranks 3rd in terms of total linkage effect with other sectors

Induced Impact

- Increased spending capacity and demand for goods and services, taxes
- **better living conditions, better productivity**
- Increased investment in business
- For every rupee invested in housing, an additional INR 0.78 gets added to national GDP



Housing for All by 2022

In Situ Slum Redevelopment

- Using land as a resource
- With private participation
- Extra FSI/TDR/FAR if required to make projects financially viable

Affordable Housing through Credit Linked Subsidy

- Interest subvention subsidy for EWS and LIG for new house or incremental housing
- EWS: Annual household income up to INR 3 lakh and house size upto 30sqm
- LIG: Annual household income between INR 3-6 lakhs and house size upto 60sqm

Affordable Housing in Partnership

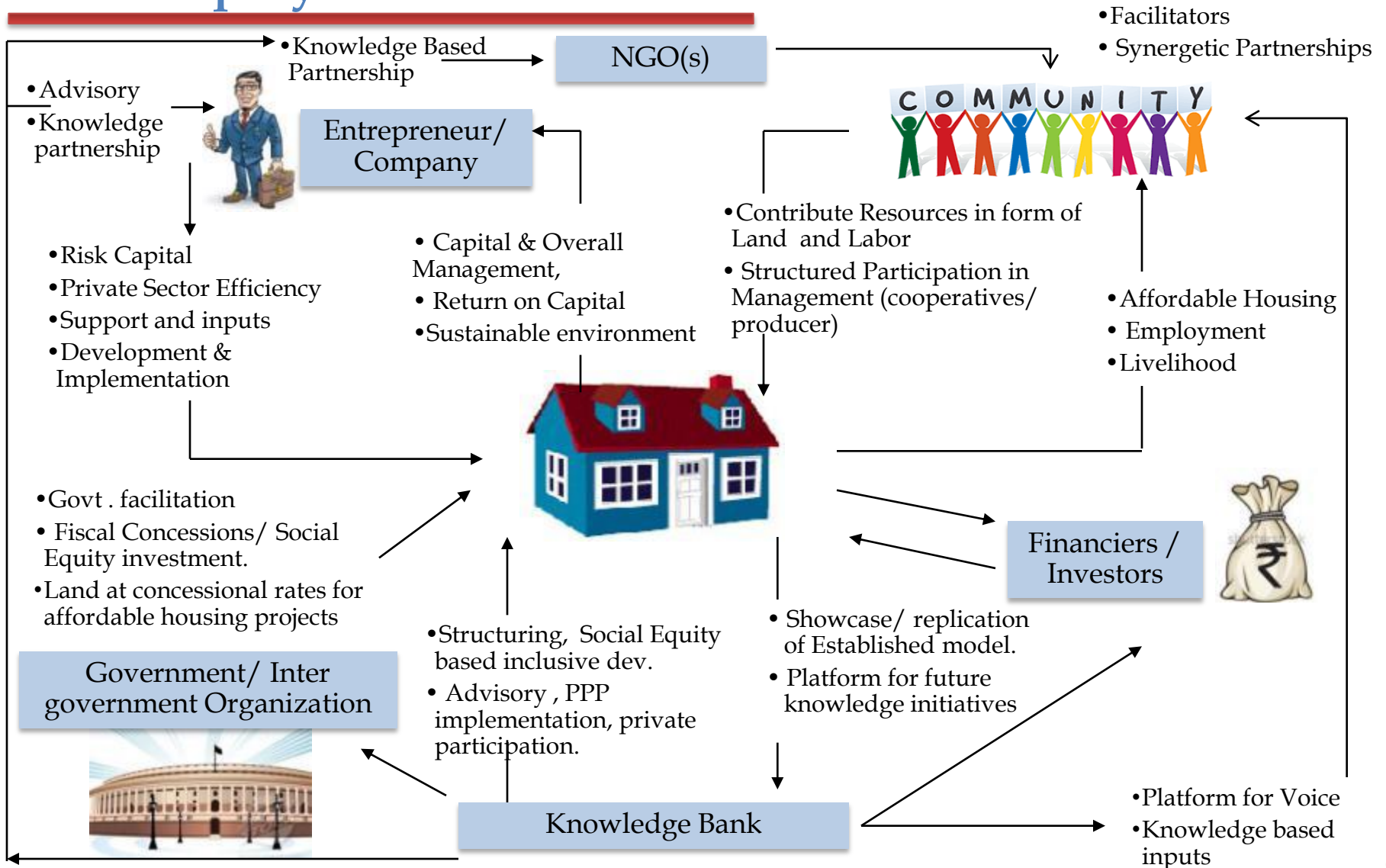
- With private sector or public sector including parastatal agencies
- Central assistance per EWS house in affordable housing projects where 35% of constructed houses are for EWS category

Subsidy for Beneficiary led individual house construction

- For individuals of EWS category requiring individual house
- State to prepare a separate project for such beneficiaries
- No isolated/ splintered beneficiary to be covered

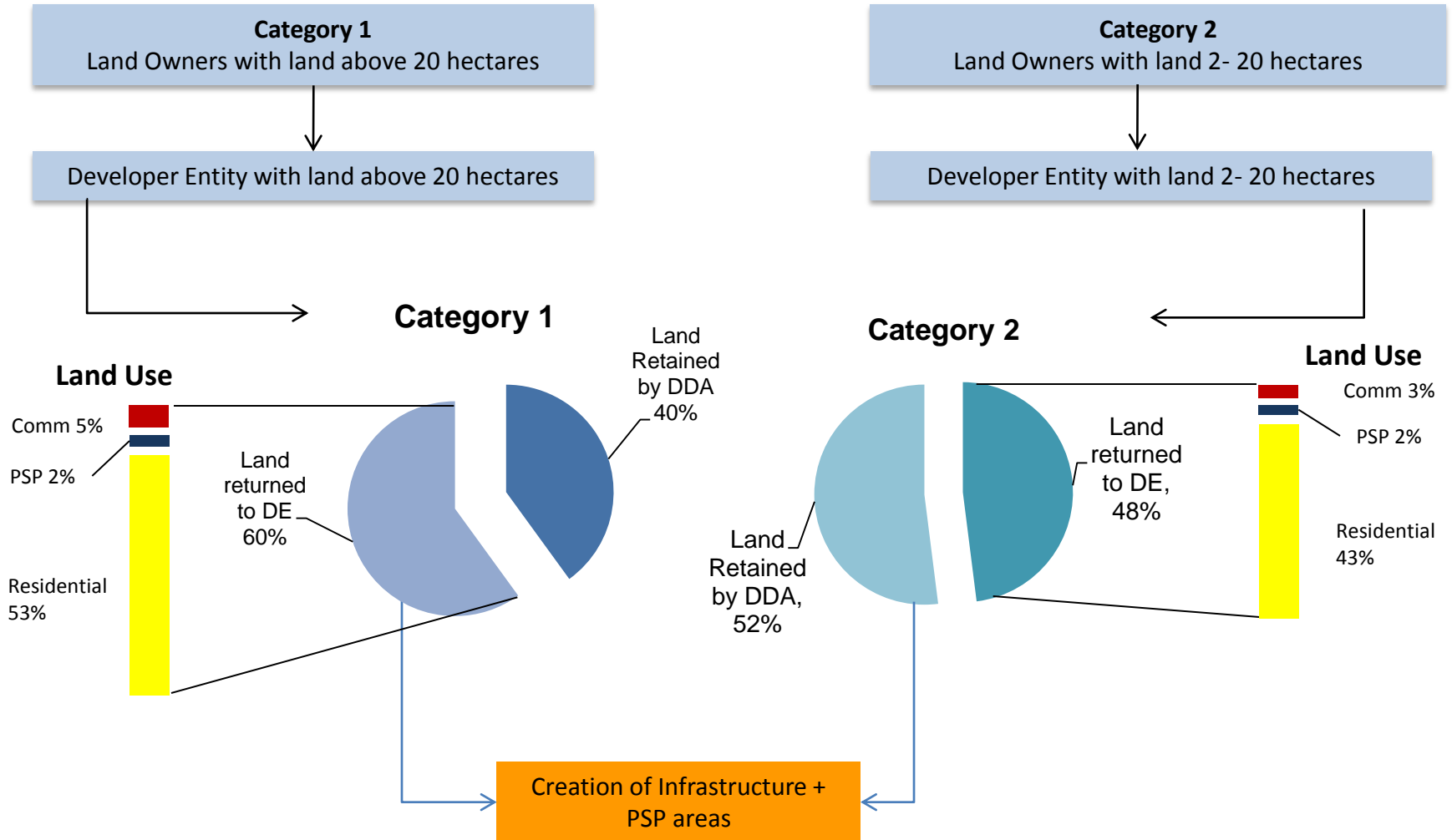
Innovative Housing Models

Social Equity



Innovative Housing Models

Land Pooling



Innovative Housing Models

Community Land Trust (CLT)

Philanthropic Capital

- Private donors
- Federal housing subsidies
- City-owned property
- Community foundations
- Anchor institutions

CLT

Acquire homes

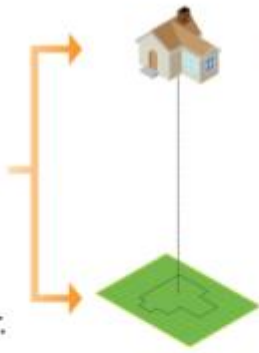


Buy House

Resident buys house (superstructure)



...but leases land underneath



Buyer pays annual fee to CLT (O&M)

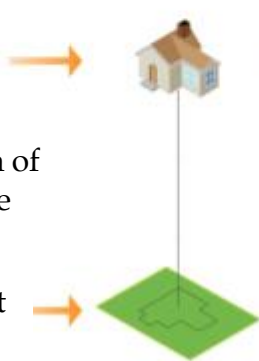
CLT

CLT - permanent ownership of land

Sell House

Price set by CLT, earning a portion of inc in value of the house

CLT - permanent ownership of land



New resident buys at affordable cost



Sells back to CLT at the time of exit

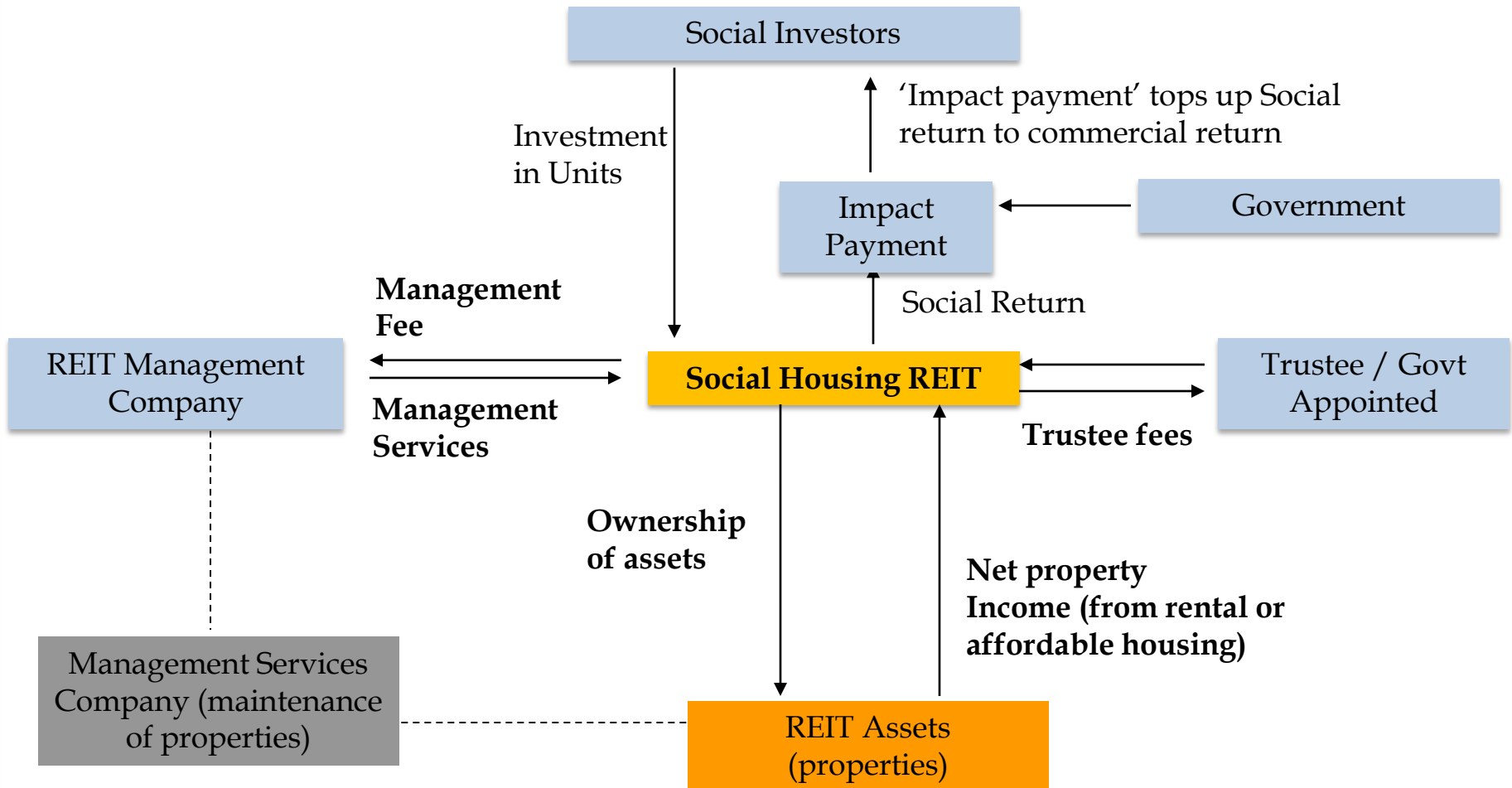
CLTs are typically governed by:



CLT

Innovative Housing Models

Social REIT



Innovative Housing Models

Research and Development

- Development of low-cost prefab housing and collapsible shelter for the poor requires further research.
- Pre-fab models can be further evolved to suit the various geo-climatic zones of the country and also incorporate disaster resistant and environment friendly technologies.

FEATURES & MATERIALS

ROOF AND WALLS

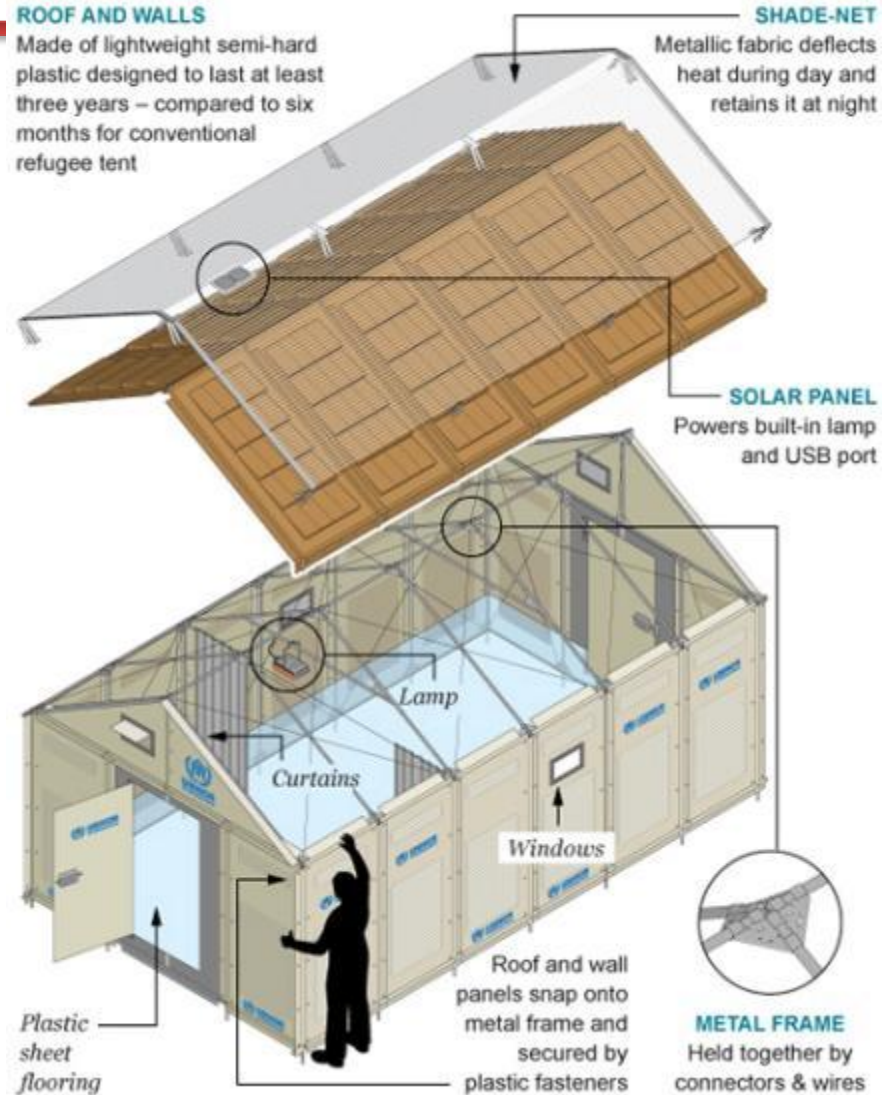
Made of lightweight semi-hard plastic designed to last at least three years – compared to six months for conventional refugee tent

SHADE-NET

Metallic fabric deflects heat during day and retains it at night

SOLAR PANEL

Powers built-in lamp and USB port



Way Forward

- *Regulatory and policy frameworks have to be adjusted to **speed up the process of land acquisition and resettlement.***
- ***Single Window Clearance:** Streamline approval process to ensure timely delivery of projects*
- ***Supply side incentives** to developers for housing targeted at EWS and LIG population.*
- *Creating an **ecosystem for impact investing into affordable housing** can help in delivering houses at INR. 10 Lakh - opening the housing dream for slum dwellers.*
- ***Linking employment and skill development** for poor with housing schemes can also improve access to credit*



Let's build inclusive cities.....

YES Institute

YES BANK Limited

Northern Regional Corporate Office: 48 Nyaya Marg, Chanakyapuri, New Delhi 110 021
Tel: + 91 9971588990

Email: preeti.sinha@yesbank.in
swati.sharma4@yesbank.in



About YES BANK

YES BANK, India's new age private sector Bank, is the outcome of the professional commitment of top management team, to establish a high quality, customer centric, service driven, private Indian Bank catering to the "Future Industries of India". YES BANK has adopted international best practices, the highest standards of service quality and operational excellence, and offers comprehensive banking and financial solutions to all its valued customers. A key strength and differentiating feature of YES BANK is its knowledge driven approach to banking and an unprecedented customer experience for its retail and wealth management clients.

YES BANK is steadily building Corporate and Institutional Banking, Financial Markets, Investment Banking, Corporate Finance, Business (SME) and Transactional Banking, Retail Banking and Wealth Management business lines across the country. YES BANK has institutionalized YES International Banking that offers a complete suite of international banking products and services, driven by state-of-the-art technology, which includes Debt, Trade Finance, Corporate Finance, Investment Banking and Business Advisory Services, Treasury and Global Indian Banking. The Bank's constant endeavor is to provide a delightful banking experience expressed with simplicity, empathy and totality.